

**STATEMENT OF SENATOR JON S. CORZINE ON THE
INTRODUCTION OF THE STUDENT FAIRNESS ACT**

June 14, 2005

M. President, I join with Senator Kennedy today in introducing an urgent and critical piece of legislation, the *Student Fairness Act*.

This bill would provide rebates to the many college students who will be receiving a dramatic reduction in their federal financial aid come the return of classes this September. Due to an obscure change made in December of 2004 to a complicated and little-known formula used by the Department of Education to determine Pell Grant eligibility and allotment, many students will see a surprising increase in their expected family contribution (EFC) and a decrease in their Pell Grants. We must act now to prevent these decreases in aid from pricing our students out of college, forcing them to postpone their education and put their career goals on hold.

M. President, these changes to the tax tables, at the behest of the Administration, have the effect of cutting \$300 million from the successful Pell grant program, upon which more than five million students nationwide rely. It is projected that, as a result of these cuts, 1.3 million students will see a reduction in their Pell grants and a projected 90,000 more will become ineligible entirely for Pell grant assistance. According to a survey performed by the New York Times, some students could lose up to \$6,000 in financial aid and the average family will have to pay an extra \$1,700 before clearing the eligibility bar.

M. President, though the situation is imminent, this is not the first time the Senate has acted to block such changes to the Pell Grant award formula. I successfully secured language in the FY04 Omnibus Appropriations bill that blocked the Administration from carrying out a similar plan for the 2004-2005 school year. The same provision, however, was dropped during the during conference deliberations of the FY05 Omnibus Appropriations bill. In response, I, along with 31 of my Senate colleagues, introduced S. 187, the *Ensuring College Access for All Americans Act*, which would have prevented the new calculations from reducing Pell Grants for the 2005-2006 academic year. Alas, the Senate has not acted with enough haste, and by now many financial aid departments have already determined their student aid packages based on the new figures. Students are beginning to realize the harsh reality of rising college tuitions matched by a government unwilling to support its own future leaders. Our only remaining option is to provide these students with these rebates so that they will not lose their financial aid for the coming school year.

This bill calls on the Secretary of Education to calculate the increase in a student's expected family contribution due to the tax table modifications and then provides each such student with a rebate equal to that increase. The legislation would hold harmless any student whose expected family contribution decreased or stayed the same as a result of the changes. Furthermore, the rebate would be treated in the same manner as other financial assistance for tax purposes and would not affect future Pell Grant eligibility.

In addition, our bill has recently received the endorsement of the Campaign for America's Future, an organization that has been a great advocate for students and has been actively collecting stories from American students about the incredible impact of financial aid on their lives.

M. President, I would like to thank the National Association of Student Financial Aid Administrators for their help in crafting this bill and their support in helping students receive the financial aid they deserve.

M. President, I urge my colleagues to pass the *Student Fairness Act* immediately to prevent any student from putting off college because their financial aid has suddenly and mysteriously disappeared.

I ask unanimous consent that this statement and a copy of the legislation be included in the Record.